

Pixieacre Limited

Report and Financial Statements

Year Ended 31 August 2002

Company Registration No. 3360708
(England and Wales)



Pixieacre Limited

Annual Report and Financial Statements for the Year Ended 31 August 2002

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Directors

GT Mascolo
PP Mascolo
RJ Staal

Secretaries and Registered office

RWL Berrow
MLA Young (resigned 25 April 2003)
19 Doughty Street, London, WC1N 2PL

Company number

3360708

Pixieacre Limited

Report of the directors for the year ended 31 August 2002

The directors present their report together with the financial statements of the company for the year ended 31 August 2002.

Principal activities, trading review and future developments

The principal activity of the company continued to be that of a property investment company.

Results and dividends

The profit and loss account is set out on page 3 and shows the results for the year.

The directors do not recommend the payment of a final ordinary dividend and the balance on the profit and loss account is to be carried forward.

Directors and their interests

The directors and directors' interests of the company during the year were:

	Ordinary A shares of £1 each	
	31 August 2002	31 August 2001
G T Mascolo	1	1
PP Mascolo	1	1
RJ Staal	-	-

RJ Staal is an alternate director for GT Mascolo, and can act as a director in his absence.

Pixieacre Limited

Report of the directors for the year ended 31 August 2002 (*Continued*)

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31st August 2002 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board

A handwritten signature in black ink, appearing to read 'R W L Berrow', written over the printed name.

R W L Berrow
Secretary

27 June 2003

Pixieacre Limited

Profit and loss account for the year ended 31 August 2002

	Note	2002 £	2001 £
Turnover	1	161,116	124,932
Administrative expenses		(3,295)	(8,362)
Operating profit		157,821	116,570
Interest payable and similar charges	2	(37,407)	(49,180)
Profit on ordinary activities before taxation		120,414	67,390
Taxation on profit on ordinary activities	3	(42,270)	(17,224)
Retained profit for the financial year		<u>78,144</u>	<u>50,166</u>

All amounts relate to continuing activities.

Statement of Total Recognised Gains and Losses

		2002 £	2001 £
Profit for the financial year		78,144	50,166
Unrealised surplus on revaluation of property	9	-	-
Total recognised gains for the year		<u>78,144</u>	<u>50,166</u>

The notes on pages 6 to 9 form part of these financial statements.

Pixieacre Limited

Balance sheet at 31 August 2002

	Note	2002		2001	
		£	£	£	£
Fixed assets					
Tangible assets	4		1,666,058		1,644,514
Current assets					
Debtors	5	3,144		751	
Cash at bank and in hand		11,934		2,217	
		<u>15,078</u>		<u>2,968</u>	
Creditors: Amounts falling due Within one year	6	<u>(811,675)</u>		<u>(812,589)</u>	
Net current liabilities			<u>(796,597)</u>		<u>(809,621)</u>
Total assets less current liabilities			869,461		834,893
Creditors: Amounts falling due After more than one year	7		(402,142)		(445,718)
Net assets			<u>467,319</u>		<u>389,175</u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss account	9		178,585		100,441
Revaluation reserve	9		288,732		288,732
Equity shareholders' funds			<u>467,319</u>		<u>389,175</u>

These accounts were prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Pixieacre Limited

Balance sheet at 31 August 2002 (continued)

The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249(B) of the Companies Act 1985. The directors acknowledge their responsibilities for:

- (a) Ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- (b) Preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 August 2002 and of its' profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements on pages 3 to 9 were approved by the board of directors on 26 June 2003 and were signed on its behalf by:

GT Mascolo
Director

A handwritten signature in black ink, appearing to be 'GT Mascolo', written over the printed name and title.

Pixieacre Limited

Notes forming part of the financial statements for the year ended 31 August 2002

1 Accounting policies

These financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents rent receivable in the United Kingdom.

Investment properties

The investment properties are revalued annually to open market value and no depreciation is provided. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the requirements of the Companies Act 1985 has not been quantified because it is impracticable and, in the opinion of the directors would be misleading.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

2 Interest payable and similar charges

	2002 £	2001 £
Bank interest	37,407	49,180
	<u> </u>	<u> </u>

3 Taxation on profit from ordinary activities

	2002 £	2001 £
UK Corporation tax based on the profit for the year	36,887	22,500
Adjustment in respect of prior periods	5,383	(5,276)
	<u>42,270</u>	<u>17,224</u>

Pixieacre Limited

Notes forming part of the financial statements for the year ended 31 August 2002 (Continued)

4 Investment Properties	£
<i>Cost</i>	
At 1 September 2001	1,644,514
Additions	21,544
As at 31 August 2002	1,666,058
<i>Net book value</i>	
At 31 August 2002	1,666,058
At 31 August 2001	1,644,514

No independent valuation was carried out during the year, however they are carried at the Directors' estimate of current market value.

5 Debtors	2002 £	2001 £
Trade debtors	3,144	-
Other debtors	-	751
	3,144	751

All amounts shown under debtors fall due for payment within one year.

Pixieacre Limited

Notes forming part of the financial statements for the year ended 31 August 2002 (Continued)

6 Creditors: Amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	109,266	110,422
Trade creditors	49,437	54,123
Taxation and social security	37,923	22,931
Other creditors	601,645	604,351
Accruals and deferred income	13,404	20,762
	<u>811,675</u>	<u>812,589</u>

The bank loan is secured with a fixed and floating charge over the assets of the company. Other creditors include interest free loans due to directors of the company as shown below:

	2002 £	2001 £
GT Mascolo	300,999	300,999
PP Mascolo	300,999	300,999

7 Creditors: Amounts falling due after more than one year

	2002 £	2001 £
Bank loan	402,142	445,718
	<u>402,142</u>	<u>445,718</u>

Maturity of bank loan:

In one year or less, or on demand	109,266	110,442
In more than one year, but not more than two years	117,086	117,085
In more than two years, but not more than five years	256,904	313,925
In more than five years	28,152	14,709
	<u>511,408</u>	<u>556,140</u>

Pixieacre Limited

Notes forming part of the financial statements for the year ended 31 August 2002 (*Continued*)

8 Share capital

	Authorised		Allotted, called up and fully paid	
	2002	2001	2002	2001
	£	£	£	£
Ordinary shares of £1 each	1,000,000	1,000,000	2	2

9 Reserves

	Profit & Loss Account £	Revaluation Reserve £
As at 1 st September 2001	100,441	288,732
Profit for the year	78,144	-
Revaluation in the year	-	-
As at 31 st August 2002	<u>178,585</u>	<u>288,732</u>

10 Related party transactions

During the year, the company has entered into transactions and has balances, with the following companies which fall within the definition of related parties under Financial Reporting Standard No. 8:

Mascolo Limited

Aggregate transactions with these companies were:

	2002 £	2001 £
Rent received	122,000	120,848

Aggregate balances with those companies were:

Debtors	2,392	-
Creditors	844	756